

Federal Agricultural Recovery Resources for Hurricane-Related Losses

September 8, 2017

Following the destruction of Hurricane Harvey, which hit the Texas coast on August 25, 2017, many in the agriculture industry are facing large-scale production losses as well as extensive damage to land and facilities. Hurricane Irma now poses a similar threat to Florida, other southeastern states, and several U.S. territories. Crops such as rice, cotton, soybeans, and cattle appear to be among the hardest hit areas of agricultural production from Hurricane Harvey. However, to date no official loss estimates have been released. Sugar, citrus, cotton, specialty crops, and livestock are just a few of the crops that could face production losses from Hurricane Irma depending on the path and severity of the storm.

This Insight provides a short overview of select agricultural recovery resources related to hurricanes such as Harvey and Irma. It is not a comprehensive list (see “CRS Resources” below for more information about programs) and is not intended to provide up-to-date information on unfolding events. For additional support, please contact available CRS experts in [hurricane-related](#) issue areas.

Federal Agricultural Disaster Assistance Programs

A number of federal assistance programs are designed to address agricultural losses following natural disasters, including hurricanes. These programs are administered by the [U.S. Department of Agriculture \(USDA\)](#) and include subsidized insurance, direct payments for loss, loans, and cost share to rehabilitate damaged lands. They have permanent authorization and are intended to assist producers recovering from production, financial, and physical loss related to or caused by natural disasters. Each program has a different administrative process for producers requesting assistance. One, the emergency loan program, requires a federal disaster designation.

Direct Payments

Select USDA programs provide payments to cover production losses in excess of normal mortality. Advance sign-up is generally not required. However, application deadlines exist following a qualified loss. These programs receive mandatory funding amounts of “such sums as necessary,” limited only by individual program payment limits.

Livestock Indemnity Program (LIP)

[LIP](#) provides payments to eligible livestock owners and contract growers for livestock deaths in excess of normal mortality caused by adverse weather. The LIP payment rate is equal to 75% of the average fair market value of the animal, as [annually published](#) by [USDA’s Farm Service Agency \(FSA\)](#). The notice of loss must be submitted to the [local FSA office](#) within 30 calendar days of when the loss of livestock is first apparent to the producer. An application for payment must be filed no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

Tree Assistance Program (TAP)

[TAP](#) makes payments to qualifying orchardists and nursery tree growers to replant or rehabilitate trees, bushes, and vines damaged by natural disasters. Losses in crop production are generally covered by insurance programs (see below). To be considered an eligible loss, the individual plant must have sustained a mortality loss or damage loss in excess of 15% after adjustment for normal mortality or damage. An [application for payment](#) must be filed with the [local FSA office](#) no later than 90 calendar days after the later of (a) the disaster event or (b) the date when loss is apparent.

Cost-Share Assistance

Select USDA programs pay a percentage of the cost to reinstall conservation infrastructure or rehabilitate damaged land. Advance sign-up is generally not required. However, the programs will not pay for impairments in existence prior to the disaster event. These programs are permanently authorized but are subject to appropriations.

Emergency Conservation Program (ECP)

[ECP](#) assists landowners in restoring land used in agricultural production damaged by a natural disaster. This can include removing debris and restoring fences and conservation structures. Restoration practices are authorized by the FSA county committee, with approval from state FSA committees, and the FSA national office. Payments are made to individual producers based on a share of the cost of completing the practice (up to 75%).

Once funding is appropriated, the FSA national office generally allocates ECP funds to the FSA state offices. The local FSA county committees establish sign-up periods and obligate funds on a first-come-first-served basis. Applications are filed with the [local FSA office](#).

Emergency Watershed Protection (EWP) Program

The [EWP program](#) assists sponsors, landowners, and operators in implementing emergency recovery measures for runoff retardation and erosion prevention to relieve imminent hazards to life and property created by natural disasters. Eligible activities may include removing debris, reshaping and protecting eroded banks, removing carcasses, and repairing levees and structures. The EWP is administered by [USDA's Natural Resources Conservation Service \(NRCS\)](#). The federal contribution toward the implementation of emergency measures may not exceed 75% of the construction cost. All projects under EWP must have a sponsor (state or local government or Indian tribe), and individual entities may receive assistance only through a governmental entity. Applications are filed with the [local or state NRCS office](#).

Insurance

The federal crop insurance program and the noninsured crop disaster assistance program (NAP) provide subsidized or federally supported insurance coverage for yield or revenue losses on eligible crops. Policies must be purchased in advance of a disaster event. These programs are permanently authorized and have mandatory funding authority.

[Federal crop insurance program policies](#) are sold and serviced through approved private insurance companies and must be in place prior to the natural disaster event. Producers must contact their [crop](#)

[insurance agents](#) to report crop damage within 72 hours of damage discovery and follow up in writing within 15 days, according to [USDA's Risk Management Agency](#).

[NAP](#) coverage is purchased from FSA and must be in place in advance of a natural disaster. Producers must notify their [local FSA offices](#) of damage or loss within 72 hours of damage discovery and follow up in writing within 15 days, according to the [NAP basic provisions](#).

CRS Resources

For additional CRS resources related to agricultural disaster assistance, see CRS Report RS21212, *Agricultural Disaster Assistance*; CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*; and CRS In Focus IF10565, *Federal Disaster Assistance for Agriculture*.

Author Information

Megan Stubbs
Specialist in Agricultural Conservation and Natural
Resources Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.